



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JAN 28 2010

REPLY TO THE ATTENTION OF:

WW-16J

Ms. Colleen O'Keefe
Land and Water Management Division
Michigan Department of Natural Resources and Environment
P.O. Box 30028
Lansing, Michigan 48909


Dear Ms. O'Keefe:

This letter is in regard to Michigan Department of Environmental Quality's (MDEQ) file number 8-52-0140 in which Kennecott Eagle Minerals proposed to construct two water intake structures, place mine tailings in a man made lake, and discharge treated effluent to wetlands for the purpose of using the Humboldt Tailings Disposal Facility (HTDF) to process copper and nickel ore tailings. In a June 19, 2009 letter to you, we raised concerns with the impacts that the discharge of tailings into the lake would have on both fish and migratory birds. We also raised concerns regarding impacts to the wetlands that would be receiving the effluent. In this letter, we requested additional information regarding whether or not the disposal of tailings in the lake would make contaminants available to fish and wildlife species using the lake.

The applicant provided the requested information in a November 3, 2009 letter. Both EPA and the U.S. Fish and Wildlife Service (USFWS) have now completed reviewing the information in this letter. In a January 15, 2010 letter to EPA, the USFWS notified us that the additional information provided by the applicant has addressed the concerns raised by in their May 27, 2009 letter. The applicant's submittal also addressed the concerns we raised regarding impacts to the wetlands that would receive the effluent. However, to ensure that the discharge of tailings and mixing of waters within the HTDF perform as stated by the applicant, we request that the applicant be required to monitor water chemistry within the HTDF to assure that the pH level remains within circum-neutral range and metal concentrations in the lake remain within acceptable levels for wildlife exposure. In the event a complete mix event does occur, resulting in high concentrations of metals particularly copper and nickel, the applicant should be required to prepare and implement a corrective action plan that minimizes or eliminates wildlife exposure to elevated metal levels.

In summary, based on the additional information provided by the applicant, we find that the proposed project will meet the 404(b)(1) Guidelines. We recommend that the MDEQ (now Michigan Department of Natural Resources and Environment) require the applicant to monitor pH and metal levels in the lake throughout the life of the mine. We also recommend the applicant be required to develop a corrective action plan as discussed above. Thank you for the opportunity to provide additional comments on this project. If you have any questions regarding these comments please contact Sue Elston of my staff at 312-886-6115.

Sincerely,



~~for~~ Peter Swenson, Chief
Wetlands and Watersheds Branch

cc: Barb Hosler, USFWS, Lansing MI